

INTRODUCTION

Maryland's proposed capital budget for fiscal year 2004, exclusive of the Department of Transportation, totals \$986,822,000 and is derived from several fund sources:

Source	Amount
General Obligation Bonds	740,000,000
General Funds	12,975,000
Special Funds	129,973,000
Federal Funds	60,189,000
Revenue Bonds	34,585,000
Qualified Zone Academy Bonds	9,100,000
	<u>986,822,000</u>

General obligation bonds are authorized and issued primarily to provide funds for State-owned capital improvements such as prisons, State hospitals, facilities at public institutions of higher education, and State office buildings. General obligation bonds are also issued for various local capital projects, local jails, public schools, and community health centers. Additionally, the Maryland General Assembly may authorize general obligation bonds for legislative initiatives considered worthy of State funding assistance.

General tax revenues, or general funds, are most frequently used for operating budget items. However, a portion of general funds in FY 2004 has been set aside for capital projects or programs and are identified herein. In the past, these funds have been referred to as "Capital Appropriations" or "Paygo."

Special funds are funds dedicated to specific purposes such as land preservation. They include private grants, user fees, dedicated taxes, and loan repayments.

Federal funds are grants from the federal government, which are designated for a specific purpose, such as construction of military facilities or the financing of housing programs.

Revenue bonds are funds generated through the sale of bonds secured by dedicated revenues and are not considered an obligation of the State of Maryland. Although not subject to the State general obligation bond debt limit, these bonds are subject to State Agency debt ceilings established by Executive Order 01.01.1989.13.

Qualified Zone Academy Bonds are authorizations from the federal government which allow the States or a local government to sell bonds, the proceeds of which are to be used for capital improvements to existing public schools that meet certain criteria. In lieu of interest payments, the purchaser receives a tax credit against their annual federal tax liability.

Nonbudgeted funds are funds generated from fees, charges, grants, donations, and operations which are not included in the State budget because the activities which generate these funds are intended to be self-supporting. The expenditure of nonbudgeted funds for capital projects is subject to the availability of such funds in the amounts and in the years projected, and to decisions of the appropriate governing bodies. Nonbudgeted funds are included in project funding summaries to display total project costs, but are not included in institutional subtotals or grand totals.

For fiscal year 2004, the capital budget proposes \$740,000,000 in general obligation bonds for State-owned facilities and grant and loan programs. An additional \$2,470,000 in general obligation bonds from prior years will be deauthorized to fund FY 2004 projects. Of the \$742,470,000 in new general obligation bonds, only a portion \$722,470,000 is included in the Maryland Consolidated Capital Bond Loan of 2003. Another \$20,000,000 has been reserved as an allotment for legislative initiatives and private hospitals.

INTRODUCTION

Specific capital projects associated with the allotment for legislative initiatives will be determined during the course of the 2003 Legislative Session.

The fiscal year 2004 capital budget is summarized by fund source and use, by each agency's project or program on the following pages.

Abbreviations used on these pages and in this document are as follows:

	<u>Abbreviations</u>
General Obligation Bonds	GO Bonds
General Funds	GF
Special Funds	SF
Federal Funds	FF
Revenue Bonds	Rev. Bonds
Academic Revenue Bonds	Acad. Rev. Bonds
Nonbudgeted Funds	NBF
Land or Property Acquisition	A
Planning or Design	P
Construction, Renovation, or Addition	C
Movable Equipment or Furniture	E

FISCAL YEAR 2004
SUMMARY OF CAPITAL BUDGET BY FUND SOURCE

	General Obligation Bonds *	General Funds	Special Funds	Federal Funds	Revenue Bonds	Totals
State-Owned Facilities	353,551	-	4,824	2,100	34,585	395,060
Non-State Owned Facilities	378,019	12,975	125,149	58,089	-	574,232
Deauthorizations	(2,470)	-	-	-	-	(2,470)
SUBTOTALS	729,100	12,975	129,973	60,189	34,585	966,822
Grant and Loan Allotments not included above for:						
Legislative Initiatives.	15,000	-	-	-	-	15,000
Private Hospitals	5,000	-	-	-	-	5,000
SUBTOTALS	20,000	-	-	-	-	20,000
TOTALS	749,100	12,975	129,973	60,189	34,585	986,822
Department of Transportation	-	-	777,600	664,100	-	1,441,700
GRAND TOTALS	749,100	12,975	907,573	724,289	34,585	2,428,522

* Includes Qualified Zone Academy Bonds

FISCAL YEAR 2004
SUMMARY OF CAPITAL BUDGET BY AGENCY
STATE-OWNED FACILITIES

	General Obligation Bonds	General Funds	Special Funds	Federal Funds	Revenue Bonds	Totals
Baltimore City Community College	460	-	-	-	-	460
Energy Administration	-	-	1,000	-	-	1,000
Environmental Service	3,637	-	-	-	-	3,637
Health and Mental Hygiene	931	-	-	-	-	931
Historic St. Mary's City Commission	703	-	-	-	-	703
Housing and Community Development.	985	-	-	-	-	985
Juvenile Justice	894	-	-	-	-	894
Morgan State University	61,219	-	-	-	-	61,219
Natural Resources	4,040	-	3,524	-	-	7,564
Public Broadcasting Commission.	1,500	-	-	-	-	1,500
Public Safety and Correctional Services	75,024	-	-	2,100	-	77,124
Public School Construction.	200	-	-	-	-	200
Public Works	27,726	-	300	-	-	28,026
St. Mary's College	5,550	-	-	-	-	5,550
Stadium Authority.	1,500	-	-	-	1,500	3,000
State Police	29,785	-	-	-	-	29,785
University System of Maryland	139,397	-	-	-	33,085	172,482
SUBTOTALS	353,551	-	4,824	2,100	34,585	395,060
Deauthorizations	(2,470)	-	-	-	-	(2,470)
SUBTOTALS	351,081	-	4,824	2,100	34,585	392,590
Transportation	-	-	777,600	664,100	-	1,441,700
TOTALS	351,081	-	782,424	666,200	34,585	1,834,290

FISCAL YEAR 2004
SUMMARY OF CAPITAL BUDGET BY AGENCY/PROGRAM
GRANTS AND LOANS

	General Obligation Bonds*	General Funds	Special Funds	Federal Funds	Revenue Bonds	Totals
Aging	1,327	-	-	-	-	1,327
Agriculture	32,760	-	14,015	3,500	-	50,275
Business and Economic Development.	7,500	10,975	44,000	-	-	62,475
Energy Administration.	-	-	1,000	-	-	1,000
Environment	29,965	-	35,212	37,623	-	102,800
Health and Mental Hygiene.	10,168	-	-	-	-	10,168
Higher Education Commission	40,850	-	-	-	-	40,850
Housing and Community Development.	32,837	-	18,608	14,866	-	66,311
Juvenile Justice.	898	-	-	-	-	898
Natural Resources.	46,092	-	9,914	2,100	-	58,106
Public School Construction.	100,000	-	2,400	-	-	102,400
Technology Development Corporation	1,000	2,000	-	-	-	3,000
University of Maryland Medical System	10,000	-	-	-	-	10,000
Miscellaneous	84,622	-	-	-	-	84,622
TOTAL	398,019	12,975	125,149	58,089	-	594,232

* Includes Qualified Zone Academy Bonds

FISCAL YEAR 2004
SUMMARY OF CAPITAL BUDGET BY AGENCY/PROGRAM
STATE-OWNED FACILITIES AND GRANTS AND LOANS

	General Obligation Bonds *	General Funds	Special Funds	Federal Funds	Revenue Bonds	Totals
Aging	1,327	-	-	-	-	1,327
Agriculture	32,760	-	14,015	3,500	-	50,275
Baltimore City Community College	460	-	-	-	-	460
Business and Economic Development	7,500	10,975	44,000	-	-	62,475
Energy Administration	-	-	2,000	-	-	2,000
Environment.	29,965	-	35,212	37,623	-	102,800
Environmental Service	3,637	-	-	-	-	3,637
Health and Mental Hygiene	11,099	-	-	-	-	11,099
Higher Education Commission	40,850	-	-	-	-	40,850
Historic St. Mary's City Commission	703	-	-	-	-	703
Housing and Community Development	33,822	-	18,608	14,866	-	67,296
Juvenile Justice	1,792	-	-	-	-	1,792
Morgan State University	61,219	-	-	-	-	61,219
Natural Resources	50,132	-	13,438	2,100	-	65,670
Public Broadcasting Commission.	1,500	-	-	-	-	1,500
Public Safety and Correctional Services	75,024	-	-	2,100	-	77,124
Public School Construction	100,200	-	2,400	-	-	102,600
Public Works	27,726	-	300	-	-	28,026
St. Mary's College	5,550	-	-	-	-	5,550
Stadium Authority.	1,500	-	-	-	1,500	3,000
State Police	29,785	-	-	-	-	29,785
Technology Development Corporation	1,000	2,000	-	-	-	3,000
University of Maryland Medical System	10,000	-	-	-	-	10,000
University System of Maryland	139,397	-	-	-	33,085	172,482
Miscellaneous	84,622	-	-	-	-	84,622
SUBTOTALS	751,570	12,975	129,973	60,189	34,585	989,292
Deauthorizations	(2,470)	-	-	-	-	(2,470)
SUBTOTALS	749,100	12,975	129,973	60,189	34,585	986,822
Transportation	-	-	777,600	664,100	-	1,441,700
TOTALS	749,100	12,975	907,573	724,289	34,585	2,428,522

* Includes Qualified Zone Academy Bonds

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL IMPROVEMENTS FOR STATE-OWNED FACILITIES

	Source of Funds	2004	2005	2006	2007	2008	Totals
Baltimore City Community College	GO Bonds	460	21,850	17,200	5,600	250	45,360
School for the Deaf.	GO Bonds	-	800	5,200	20,550	1,100	27,650
Energy Administration.	SF	1,000	1,000	1,000	1,000	1,000	5,000
Environmental Service.	GO Bonds	3,637	3,000	3,000	3,000	3,000	15,637
Health and Mental Hygiene.	GO Bonds	931	11,750	-	2,250	11,100	26,031
Historic St. Mary's City Commission.	GO Bonds	703	6,050	1,000	1,500	11,500	20,753
Housing and Community Development.	GO Bonds	985	250	3,100	-	-	4,335
Juvenile Justice.	GO Bonds	894	2,000	5,000	10,000	10,000	27,894
Labor, Licensing and Regulation.	SF	-	-	3,800	-	-	3,800
Military Department.	GO Bonds	-	3,500	1,250	500	-	5,250
	FF	-	7,400	7,000	2,600	-	17,000
Morgan State University.	GO Bonds	61,219	19,500	31,050	8,500	26,950	147,219
Natural Resources.	GO Bonds	4,040	-	-	-	-	4,040
	GF	-	3,000	3,000	3,000	3,000	12,000
	SF	3,524	11,150	9,750	10,100	10,400	44,924
Public Broadcasting Commission.	GO Bonds	1,500	500	-	500	650	3,150
Public Safety and Correctional Services.	GO Bonds	75,024	15,650	61,650	38,250	36,600	227,174
	FF	2,100	-	-	-	-	2,100
Public School Construction.	GO Bonds	200	-	-	-	-	200
	GF	-	-	200	-	200	400
Public Works.	GO Bonds	27,726	40,750	31,450	88,200	44,600	232,726
	GF	-	-	1,600	1,600	1,600	4,800
	SF	300	300	300	300	300	1,500
St. Mary's College.	GO Bonds	5,550	29,550	3,450	22,750	1,450	62,750
Southern Maryland Higher Education Center.	GO Bonds	-	-	-	750	9,500	10,250
Stadium Authority.	GO Bonds	1,500	1,500	-	-	-	3,000
	Rev. Bonds	1,500	3,500	-	-	-	5,000
State Police.	GO Bonds	29,785	9,350	750	5,200	9,050	54,135
University System of Maryland.	GO Bonds	139,397	104,250	70,750	132,450	114,150	560,997
	Rev. Bonds	33,085	57,100	31,400	48,515	25,000	195,100
SUBTOTALS.	GO Bonds	353,551	270,250	234,850	340,000	279,900	1,478,551
Deauthorizations	GO Bonds	(2,470)	-	-	-	-	(2,470)
SUBTOTALS	GO Bonds	351,081	270,250	234,850	340,000	279,900	1,476,081
	GF	-	3,000	4,800	4,600	4,800	17,200
	SF	4,824	12,450	14,850	11,400	11,700	55,224
	FF	2,100	7,400	7,000	2,600	-	19,100
	Rev. Bonds	34,585	60,600	31,400	48,515	25,000	200,100
TOTALS		392,590	353,700	292,900	407,115	321,400	1,767,705
Transportation.	SF	777,600	737,000	536,300	413,000	382,400	2,846,300
	FF	664,100	649,800	551,200	461,700	388,400	2,715,200
GRAND TOTALS ALL FUNDS		1,834,290	1,740,500	1,380,400	1,281,815	1,092,200	7,329,205

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL IMPROVEMENTS FOR GRANT AND LOAN PROGRAMS

	Source of Funds *	2004	2005	2006	2007	2008	Totals
Aging	GO Bonds	1,327	1,200	1,200	1,200	1,200	6,127
Agriculture	GO Bonds	32,760	11,600	5,000	5,000	5,000	59,360
	GF	-	-	6,600	6,600	6,600	19,800
	SF	14,015	36,300	33,950	36,150	38,150	158,565
	FF	3,500	4,000	4,500	5,000	5,000	22,000
Business and Economic Development.	GO Bonds	7,500	-	-	-	-	7,500
	GF	10,975	28,000	46,775	46,525	45,325	177,600
	SF	44,000	29,225	34,200	34,150	38,400	179,975
Canal Place Preservation and Development Authority	GO Bonds	-	-	-	2,200	-	2,200
Education	GO Bonds	-	-	26,500	-	16,000	42,500
Energy Administration	SF	1,000	1,000	1,000	1,000	1,000	5,000
Environment	GO Bonds	29,965	34,525	25,250	30,250	30,250	150,240
	GF	-	-	10,075	10,075	10,075	30,225
	SF	35,212	33,675	33,675	33,675	33,675	169,912
	FF	37,623	38,950	38,950	38,950	38,950	193,423
Health and Mental Hygiene	GO Bonds	10,168	11,100	11,100	11,100	11,100	54,568
Higher Education Commission	GO Bonds	40,850	35,000	35,000	40,000	40,000	190,850
Housing and Community Development	GO Bonds	32,837	7,700	7,700	7,700	7,700	63,637
	GF	-	18,051	16,803	16,357	16,357	67,568
	SF	18,608	18,899	20,147	20,643	20,693	98,990
	FF	14,866	14,866	14,866	14,866	14,866	74,330
Juvenile Justice	GO Bonds	898	1,200	1,200	1,200	1,200	5,698
Natural Resources	GO Bonds	46,092	-	-	-	-	46,092
	SF	9,914	108,350	98,450	100,950	103,100	420,764
	FF	2,100	2,100	2,100	2,100	2,100	10,500
Public School Construction	GO Bonds	100,000	97,600	97,600	97,600	97,600	490,400
	SF	2,400	2,400	2,400	2,400	2,400	12,000
Technology Development Corporation	GO Bonds	1,000	1,000	-	-	-	2,000
	GF	2,000	2,000	3,000	3,000	3,000	13,000
University of Maryland Medical System	GO Bonds	10,000	10,000	15,000	-	-	35,000
Miscellaneous	GO Bonds	84,622	62,000	60,500	43,000	33,000	283,122
SUBTOTALS	GO Bonds	398,019	272,925	286,050	239,250	243,050	1,439,294
	GF	12,975	48,051	83,253	82,557	81,357	308,193
	SF	125,149	229,849	223,822	228,968	237,418	1,045,206
	FF	58,089	59,916	60,416	60,916	60,916	300,253
TOTALS		594,232	610,741	653,541	611,691	622,741	3,092,946

* Includes Qualified Zone Academy Bonds

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL IMPROVEMENTS FOR STATE-OWNED FACILITIES AND
GRANT AND LOAN PROGRAMS

	Source of Funds *	2004	2005	2006	2007	2008	Totals
Aging.	GO Bonds	1,327	1,200	1,200	1,200	1,200	6,127
Agriculture.	GO Bonds	32,760	11,600	5,000	5,000	5,000	59,360
	GF	-	-	6,600	6,600	6,600	19,800
	SF	14,015	36,300	33,950	36,150	38,150	158,565
	FF	3,500	4,000	4,500	5,000	5,000	22,000
Baltimore City Community College	GO Bonds	460	21,850	17,200	5,600	250	45,360
Business and Economic Development.	GO Bonds	7,500	-	-	-	-	7,500
	GF	10,975	28,000	46,775	46,525	45,325	177,600
	SF	44,000	29,225	34,200	34,150	38,400	179,975
Canal Place Preservation and Development Authority	GO Bonds	-	-	-	2,200	-	2,200
School for the Deaf	GO Bonds	-	800	5,200	20,550	1,100	27,650
Education	GO Bonds	-	-	26,500	-	16,000	42,500
Energy Administration	SF	2,000	2,000	2,000	2,000	2,000	10,000
Environment	GO Bonds	29,965	34,525	25,250	30,250	30,250	150,240
	GF	-	-	10,075	10,075	10,075	30,225
	SF	35,212	33,675	33,675	33,675	33,675	169,912
	FF	37,623	38,950	38,950	38,950	38,950	193,423
Environmental Service	GO Bonds	3,637	3,000	3,000	3,000	3,000	15,637
Health and Mental Hygiene	GO Bonds	11,099	22,850	11,100	13,350	22,200	80,599
Higher Education Commission	GO Bonds	40,850	35,000	35,000	40,000	40,000	190,850
Historic St. Mary's City Commission	GO Bonds	703	6,050	1,000	1,500	11,500	20,753
Housing and Community Development	GO Bonds	33,822	7,950	10,800	7,700	7,700	67,972
	GF	-	18,051	16,803	16,357	16,357	67,568
	SF	18,608	18,899	20,147	20,643	20,693	98,990
	FF	14,866	14,866	14,866	14,866	14,866	74,330
Juvenile Justice	GO Bonds	1,792	3,200	6,200	11,200	11,200	33,592
Labor, Licensing and Regulation	SF	-	-	3,800	-	-	3,800
Military Department	GO Bonds	-	3,500	1,250	500	-	5,250
	FF	-	7,400	7,000	2,600	-	17,000
Morgan State University	GO Bonds	61,219	19,500	31,050	8,500	26,950	147,219
Natural Resources	GO Bonds	50,132	-	-	-	-	50,132
	GF	-	3,000	3,000	3,000	3,000	12,000
	SF	13,438	119,500	108,200	111,050	113,500	465,688
	FF	2,100	2,100	2,100	2,100	2,100	10,500
Public Broadcasting Commission	GO Bonds	1,500	500	-	500	650	3,150
Public Safety and Correctional Services	GO Bonds	75,024	15,650	61,650	38,250	36,600	227,174
	FF	2,100	-	-	-	-	2,100
Public School Construction	GO Bonds	100,200	97,600	97,600	97,600	97,600	490,600
	GF	-	-	200	-	200	400
	SF	2,400	2,400	2,400	2,400	2,400	12,000
Public Works	GO Bonds	27,726	40,750	31,450	88,200	44,600	232,726
	GF	-	-	1,600	1,600	1,600	4,800
	SF	300	300	300	300	300	1,500
St. Mary's College of Maryland	GO Bonds	5,550	29,550	3,450	22,750	1,450	62,750
Southern Maryland Higher Education Center	GO Bonds	-	-	-	750	9,500	10,250
Stadium Authority.	GO Bonds	1,500	1,500	-	-	-	3,000
	Rev Bonds	1,500	3,500	-	-	-	5,000

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL IMPROVEMENTS FOR STATE-OWNED FACILITIES AND
GRANT AND LOAN PROGRAMS - Continued

	Source of Funds *	2004	2005	2006	2007	2008	Totals
State Police	GO Bonds	29,785	9,350	750	5,200	9,050	54,135
Technology Development Corporation	GO Bonds	1,000	1,000	-	-	-	2,000
	GF	2,000	2,000	3,000	3,000	3,000	13,000
University of Maryland Medical System . . .	GO Bonds	10,000	10,000	15,000	-	-	35,000
University System of Maryland	GO Bonds	139,397	104,250	70,750	132,450	114,150	560,997
	Rev. Bonds	33,085	57,100	31,400	48,515	25,000	195,100
Miscellaneous	GO Bonds	84,622	62,000	60,500	43,000	33,000	283,122
SUBTOTALS	GO Bonds	751,570	543,175	520,900	579,250	522,950	2,917,845
Deauthorizations	GO Bonds	(2,470)	-	-	-	-	(2,470)
SUBTOTALS	GO Bonds	749,100	543,175	520,900	579,250	522,950	2,915,375
	GF	12,975	51,051	88,053	87,157	86,157	325,393
	SF	129,973	242,299	238,672	240,368	249,118	1,100,430
	FF	60,189	67,316	67,416	63,516	60,916	319,353
	Rev. Bonds	34,585	60,600	31,400	48,515	25,000	200,100
TOTALS		986,822	964,441	946,441	1,018,806	944,141	4,860,651
Transportation	SF	777,600	737,000	536,300	413,000	382,400	2,846,300
	FF	664,100	649,800	551,200	461,700	388,400	2,715,200
GRAND TOTALS ALL FUNDS		2,428,522	2,351,241	2,033,941	1,893,506	1,714,941	10,422,151

* Includes Qualified Zone Academy Bonds

FISCAL YEAR 2004
SUMMARY OF DEAUTHORIZED FUNDS

Several projects have been completed or abandoned and have appropriated funds which are no longer needed for their original purpose. These funds are recommended for deauthorization and the loans in which they were included are shown below.

<u>Bond Year and Project</u>	<u>Amount of Deauthorization</u>	<u>Rationale</u>
General Construction Loan of 1988 UMB - Hayden-Harris Hall	189	Project Complete
Maryland Consolidated Capital Bond Loan of 1995 DVA - Charlotte Hall Veterans Home - Phase IV	270	Project Complete
Maryland Consolidated Capital Bond Loan of 1996 DPSCS - Patuxent Institution DD Building	183	Project Complete
Maryland Consolidated Capital Bond Loan of 1996 UMB - Health Sciences Library	106	Project Complete
Maryland Consolidated Capital Bond Loan of 1997 DMIL - Camp Fretterd Armory	168	Project Complete
Maryland Consolidated Capital Bond Loan of 1997 UMB - Nursing School	228	Project Complete
Maryland Consolidated Capital Bond Loan of 1998 BPW - Washington County District Court	350	Project Complete
Maryland Consolidated Capital Bond Loan of 1998 DMIL - Annapolis Armory	150	Project Complete
Maryland Consolidated Capital Bond Loan of 1998 UMB - Nursing School	100	Project Complete
Maryland Consolidated Capital Bond Loan of 1998 UMBC - New Physics Building	100	Project Complete
Maryland Consolidated Capital Bond Loan of 1999 BPW - Howard County District Court	164	Project Complete
Maryland Consolidated Capital Bond Loan of 1999 DHMH - Holly Center	119	Project Complete
Maryland Consolidated Capital Bond Loan of 2000 DHMH - Western Maryland Center	343	Project Abandoned
TOTAL	2,470	

FISCAL YEARS 2004 - 2008
OPERATING BUDGET IMPACTS OF CONSTRUCTION PROJECTS AT
STATE-OWNED FACILITIES

PROJECT	2004	2005	2006	2007	2008
Baltimore City Community College					
Main Building Renovation - Liberty Campus	-	-	265	312	312
Subtotal	-	-	265	312	312
Maryland Environmental Service					
Eastern Correctional Institution - Co-Generation Facility Improvements	(7)	(7)	(7)	(7)	(7)
Elk Neck State Park - New Wastewater Pumping Station	-	(1)	(3)	(3)	(3)
Jessup Correctional Complex - Water/Wastewater System Improvements	(114)	(114)	(114)	(114)	(114)
Springfield Hospital Center - Water/Wastewater System Improvements	(30)	(55)	(55)	(55)	(55)
St. Mary's College - Water and Wastewater System Upgrades	-	(4)	(5)	(7)	(7)
Subtotal	(151)	(181)	(184)	(186)	(186)
Department of Health and Mental Hygiene					
Rosewood Center - Electrical Distribution System Replacement	-	-	(7)	-	-
Subtotal	-	-	(7)	-	-
Historic St. Mary's City Commission					
Maryland Heritage Project - Nuthead Print House Reconstruction	-	15	38	38	38
Subtotal	-	15	38	38	38
Morgan State University					
Banneker Hall Renovation/Telecommunications Infrastructure	-	-	-	148	148
New Library	-	532	1,908	2,367	2,367
Subtotal	-	532	1,908	2,515	2,515
Department of Natural Resources					
Fort Frederick Officers' Quarters Reconstruction	-	-	22	5	5
Swallow Falls State Park - Swallow Falls Canyon Trail	-	2	2	2	3
Subtotal	-	2	24	7	8
Maryland Public Broadcasting Commission					
Back-up Power System	-	25	25	25	25
Subtotal	-	25	25	25	25
Department of Public Safety and Correctional Services					
Eastern Correctional Institution - 140-Bed Minimum Security Housing Unit	-	47	470	480	480
Maryland Correctional Institution for Women - Support Services	-	442	871	871	871
North Branch Correctional Institution - 1024-Cell Housing Units/Services	-	11,155	15,671	20,218	20,350
Patuxent Institution - Fire Safety Improvements	-	30	90	90	90
Patuxent Institution - Kitchen/Dining Hall, Gatehouse/Perimeter Security	-	163	137	137	137
Public Safety Training Center	-	98	379	379	379
Subtotal	-	11,935	17,618	22,175	22,307
Board of Public Works					
State Office Building #3 - 2100 Guilford Avenue Addition and Renovation	-	153	293	100	100
Subtotal	-	153	293	100	100

FISCAL YEARS 2004 - 2008
OPERATING BUDGET IMPACTS OF CONSTRUCTION PROJECTS AT
STATE-OWNED FACILITIES - Continued

PROJECT	2004	2005	2006	2007	2008
St. Mary's College of Maryland					
New Academic Building/Telecommunications Infrastructure	-	66	485	523	523
New Student Services Building	111	265	265	265	265
Somerset Hall Alterations and Additions	227	667	667	667	667
Subtotal	338	998	1,417	1,455	1,455
Department of State Police					
New Easton Barrack and Garage	-	65	-	-	-
New Forensic Science Laboratory	-	206	155	155	155
New Hagerstown Barrack and Garage	-	-	-	216	9
Subtotal	-	271	155	371	164
University System of Maryland					
UMB - New Dental School	-	2,291	5,997	5,997	5,997
UMCP - New Biological Sciences Research Building	-	-	-	785	1,929
BSU - New Center for Business and Graduate Studies	-	-	323	836	836
TU - Fine Arts Building Additions and Alterations	-	1,080	1,739	2,069	2,069
UMES - New Social Science, Education, and Health Science Building	-	677	1,060	1,060	1,060
CSC - Telecommunications/Information Technology Upgrade	111	111	111	111	111
CSC - New Health and Human Services Building	-	-	-	642	1,736
UB - 1300 North Charles Street Renovation	-	494	762	762	762
UMBI-New Facility for the Center for Advanced Research in Biotechnology	-	696	1,782	1,999	1,999
Subtotal	111	5,349	11,774	14,261	16,499
GRAND TOTAL	298	19,099	33,326	41,073	43,237

FISCAL YEARS 2004 - 2008
PERSONNEL IMPACTS OF CONSTRUCTION PROJECTS AT
STATE-OWNED FACILITIES

PROJECT	2004	2005	2006	2007	2008
Baltimore City Community College					
Main Building Renovation - Liberty Campus	-	-	0.98	0.98	0.98
Subtotal	-	-	0.98	0.98	0.98
Historic St. Mary's City Commission					
Maryland Heritage Project - Nuthead Print House Reconstruction	-	1.25	1.25	1.25	1.25
Subtotal	-	1.25	1.25	1.25	1.25
Morgan State University					
New Library	-	-	23.75	23.75	23.75
Subtotal	-	-	23.75	23.75	23.75
Department of Public Safety and Correctional Services					
Eastern Correctional Institution - 140-Bed Minimum Security Housing Unit	-	6.00	7.00	7.00	7.00
Maryland Correctional Institution for Women - Support Services	-	12.00	12.00	12.00	12.00
North Branch Correctional Institution - 1024-Cell Housing Units/Services	-	222.00	305.00	388.00	388.00
Public Safety Training Center	-	-	1.00	1.00	1.00
Subtotal	-	240.00	325.00	408.00	408.00
Board of Public Works					
State Office Building #3 - 2100 Guilford Avenue Addition and Renovation	-	6.00	-	-	-
Subtotal	-	6.00	-	-	-
St. Mary's College of Maryland					
New Academic Building/Telecommunications Infrastructure	-	-	6.00	6.00	6.00
New Student Services Building	3.00	3.00	3.00	3.00	3.00
Somerset Hall Alterations and Additions	6.75	6.75	6.75	6.75	6.75
Subtotal	9.75	9.75	15.75	15.75	15.75
Department of State Police					
New Forensic Science Laboratory	-	1.00	1.00	1.00	1.00
Subtotal	-	1.00	1.00	1.00	1.00
University System of Maryland					
UMB - New Dental School	-	-	40.75	40.75	40.75
UMCP - New Biological Sciences Research Building	-	-	-	-	14.00
BSU - New Center for Business and Graduate Studies	-	-	7.25	7.25	7.25
TU - Fine Arts Building Additions and Alterations	-	-	13.50	13.50	13.50
UMES - New Social Science, Education, and Health Science Building	-	12.50	12.50	12.50	12.50
CSC - Telecommunications/Information Technology Upgrade	2.00	2.00	2.00	2.00	2.00
CSC - New Health and Human Services Building	-	-	-	17.25	17.25
UB - 1300 North Charles Street Renovation	-	6.75	6.75	6.75	6.75
UMBI - New Facility for the Center for Advanced Research in Biotechnology	-	-	15.50	15.50	15.50
Subtotal	2.00	21.25	98.25	115.50	129.50
GRAND TOTAL	11.75	279.25	465.98	566.23	580.23

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL PROJECTS
POSSIBLY SUBJECT TO FEDERAL RESTRICTIONS
ON THE USE OF TAX-EXEMPT FINANCING

The Internal Revenue Service limits the use of tax-exempt bonds for "private purpose" projects to no more than five percent of the tax-exempt bonds issued in a given year. This limit applies to the State's general obligation bonds, as well as to tax-exempt bonds issued by State-controlled agencies. Two conditions must be satisfied for a project to be subject to the limitation. There must be private use and private payment. Private use is use of a tax-exempt financed facility by any entity other than State-controlled agencies or local governments, or on a different basis than members of the general public. One example of private use is the rental of space in a tax-exempt financed building to businesses. Another example of private use could be the operation of a bookstore or dining facility by a private company. Research sponsored by private companies can sometimes constitute private use. The structure of operating or research agreements is also used to determine private use. Private payment is payment for the privately-used portion of a facility above the costs of operating and maintaining that portion of the facility. Also, taking an equity position in a tenant company could lead to a private payment. An example of private payment would be for a tenant in a tax-exempt financed building to pay enough rent to cover some of the debt service. Also, the use of tax-exempt financing for loans would lead to a private payment. The most commonly used term for the portion of bond issues that can be used for private use and private payment projects is "private activity". The following table summarizes the possible "private activity" projects for FY 2004 to FY 2008. The "GO Bonds", and "Dollars Private" columns may include prior funds or funding beyond the capital improvement program.

Project	Total Cost	GO Bonds	% Private	Dollars Private	Private \$ By Fiscal Year				
					2004	2005	2006	2007	2008
Department of Business and Economic Development									
One Maryland Fund	8,000	7,500	100%	7,500	7,500	-	-	-	-
Department of the Environment									
Hazardous Substance Cleanup Program	7,350	2,250	100%	2,250	550	1,700	-	-	-
Department of Housing and Community Development									
Maryland Historical Trust Revolving Loan Fund	2,400	200	100%	200	200	-	-	-	-
Community Legacy Program	8,693	8,693	100%	8,693	8,693	-	-	-	-
Rental Housing Programs	85,830	6,979	100%	6,979	6,979	-	-	-	-
Homeownership Programs	38,000	2,247	100%	2,247	2,247	-	-	-	-
Special Loan Programs	42,000	2,718	100%	2,718	2,718	-	-	-	-
Maryland Stadium Authority									
Camden Station - Babe Ruth Museum	9,500	3,000	100%	3,000	1,500	1,500	-	-	-
University System of Maryland									
University of Maryland, College Park									
Biological Sciences Research Building	69,355	59,535	6%	3,572	176	-	2,928	216	138
Engineering and Applied Sciences Building	56,091	40,000	6%	2,400	240	144	-	-	-

FISCAL YEARS 2004 - 2008
SUMMARY OF CAPITAL PROJECTS
POSSIBLY SUBJECT TO FEDERAL RESTRICTIONS
ON THE USE OF TAX-EXEMPT FINANCING (Continued)

Project	Total Cost	GO Bonds	% Private	Dollars Private	Private \$ By Fiscal Year				
					2004	2005	2006	2007	2008
University of Baltimore									
1300 N. Charles Street	8,370	6,370	2%	127	107	16	-	-	-
University of Maryland Biotechnology Institute									
Center for Advanced Research in Biotechnology II	59,845	51,990	25%	12,998	11,498	1,375	-	-	-
Miscellaneous									
Reginald F. Lewis Museum of Maryland African American History and Culture	33,328	29,228	6%	1,754	100	-	-	-	-
TOTAL	428,762	220,710		54,438	42,508	4,735	2,928	216	138

FISCAL YEARS 2002 - 2004
COMMUNITY AND NEIGHBORHOOD DEVELOPMENT AND REVITALIZATION

In 1997, the Maryland General Assembly strengthened Maryland's response to the continuing effects of suburban sprawl by enacting *Neighborhood Conservation and Smart Growth* initiatives. *Smart Growth* establishes a policy for the use of State funds, which support existing communities and influence the location of development. Under this policy, projects in Maryland municipalities, other existing communities, industrial areas, and planned growth area designated by counties will receive priority funding over other projects. These *Smart Growth* areas, called "Priority Funding Areas", are locations where the State and local governments want to target their efforts to encourage and support development and new growth. The following chart summarizes State capital appropriations made for fiscal years 2002 and 2003 and proposed capital appropriations for fiscal year 2004 that support neighborhood and community revitalization and land preservation efforts in Maryland.

COUNTY	PROJECT	ENACTED FY 2002	ENACTED FY 2003	PROPOSED FY 2004
Allegany	Canal Place Redevelopment	2,479	1,075	-
Allegany	Cumberland Combined Sewer Overflow	500	271	300
Allegany	Labor, Licensing and Regulation - Cumberland Office	2,446	-	-
Anne Arundel	Maryland Hall for the Creative Arts	-	-	500
Anne Arundel	Parole Plaza Improvements**	-	-	1,000
Baltimore City	901 N. Howard Street Redevelopment*	3,202	89	-
Baltimore City	1300 N. Charles Street Renovation	-	2,215	5,355
Baltimore City	Baltimore City Revitalization Projects	7,000	5,000	9,000
Baltimore City	Camden Station - Babe Ruth Museum	-	-	1,500
Baltimore City	East Baltimore Biotechnology Park	-	2,000	-
Baltimore City	East Baltimore Community Recreation and Learning Center	500	-	-
Baltimore City	Eubie Blake National Jazz Institute and Cultural Center	75	-	-
Baltimore City	Frederick Douglass - Isaac Myers Maritime Park	1,000	-	-
Baltimore City	Great Blacks in Wax Museum	750	-	-
Baltimore City	Jewish Family Services Building	-	-	2,000
Baltimore City	Kennedy Krieger - Career & Technology High School	2,000	-	-
Baltimore City	MARC East Baltimore Station Facility Planning*	105	-	-
Baltimore City	National Federation of the Blind	1,000	2,000	1,500
Baltimore City	Park Heights Golf Academy	-	500	-
Baltimore City	Patterson Park Community Development Corporation	200	-	-
Baltimore City	Port Land Use*	165	1,200	392
Baltimore City	Preston Street Streetscape*	135	10	-
Baltimore City	Reginald F. Lewis Museum of Maryland African American History and Culture	-	9,242	1,665
Baltimore City	Reisterstown Plaza Station Improvements*	694	1,863	839
Baltimore City	Strathdale Manor Demolition	1,000	-	-
Baltimore City	West Baltimore Community Development*	64	1	-
Baltimore	Chesapeake Village Park	-	250	750
Baltimore	Community College of Baltimore County - Owings Mills Center	-	-	350
Baltimore	Metro Owings Mills Joint Development*	-	500	4,500
Baltimore	Forensic Science Laboratory	1,306	-	23,500
Cecil	Elkton Community College Center	-	503	6,273
Charles	Old Waldorf School Community Center Head Start Facility	200	-	-
Harford	MARC Edgewood Station Improvements*	129	-	-
Montgomery	Bethesda Academy of Performing Arts	150	-	-
Montgomery	Glen Echo Park Restoration	3,000	-	-
Montgomery	Montgomery College - Takoma Park	13,245	5,154	-
Montgomery	Penn Place - Garrett Park	-	500	-

FISCAL YEARS 2002 - 2004

COMMUNITY AND NEIGHBORHOOD DEVELOPMENT AND REVITALIZATION (Continued)

COUNTY	PROJECT	ENACTED FY 2002	ENACTED FY 2003	PROPOSED FY 2004
Montgomery	Pyramid Atlantic - Site for Electronic Media, Art, and Applied Art	300	-	-
Montgomery	Rockville Science, Cultural and Business Resource Center	-	-	700
Montgomery	Rockville Station Improvements*	1,486	96	-
Montgomery	Rockville Town Center - Parking Garage	-	1,000	-
Montgomery	Silver Spring District Court	18,239	-	-
Montgomery	Silver Spring Station Relocation*	4,091	3,957	1,000
Montgomery	Strathmore Hall Performing Arts Center	28,000	3,000	6,400
Montgomery	Takoma Park Community Learning Center	-	-	1,000
Montgomery	Wheaton Multi-Service Youth Facility	500	175	-
Prince George's	Bowie Regional Arts Vision Association	500	-	-
Prince George's	Cheverly Health Center	500	-	-
Prince George's	Gateway Arts District	1,000	650	350
Prince George's	MARC College Park Station Improvements*	5	51	-
Prince George's	MARC Laurel Station Parking and Improvements	398	1,460	-
Prince George's	Maryland Fire and Rescue Institute - Berwyn Heights	1,440	-	-
Prince George's	Phelps Center	-	-	570
Prince George's	Suitland Revitalization Project	-	3,000	-
Washington	Hagerstown Arts and Entertainment District	235	-	-
Washington	Hagerstown Educational Center	-	12,394	1,250
Washington	Hagerstown HOPE VI Project	-	-	2,689
Wicomico	Labor, Licensing and Regulation - Eastern Shore Regional Claims Center	-	1,400	-
Regional	Southern Maryland Pedestrian and Bicycle Trail System*	-	50	-
Statewide	Access 2000*	2,788	287	218
Statewide	Adopt-a-Shelter*	405	27	120
Statewide	Agricultural Land Preservation	28,396	17,034	33,635
Statewide	Bus Shelter Program*	99	7	-
Statewide	Community Legacy Program	9,000	6,000	8,693
Statewide	Community Parks and Playgrounds	5,500	5,500	-
Statewide	Commute Smart*	3,293	5,151	4,762
Statewide	Crosswalk Improvements*	233	164	-
Statewide	MARC Coach Bicycle Retrofit*	-	-	648
Statewide	Neighborhood Business Development Program	6,139	3,356	2,802
Statewide	Neighborhood Conservation Program*	31,768	29,850	28,900
Statewide	Noise Barriers*	19,700	13,200	18,400
Statewide	Rural Legacy	29,719	21,363	5,000
Statewide	Sidewalk Construction Program*	5,800	3,600	2,800
Statewide	Smart Growth Economic Development Infrastructure Fund	7,800	7,700	8,000
Statewide	Smart Growth Initiative*	55	108	-
Statewide	TEA-21 Enhancement Program*	12,300	10,800	9,900
Statewide	Transit Station Development Incentive Program*	1,328	500	972
TOTAL		262,362	184,253	198,233

* Maryland Department of Transportation Programs are further described in MDOT's Consolidated Transportation Program.

** This project is proposed to receive \$500,000 in General Obligation Bonds and \$500,000 in Special Funds from MDOT.